

Congresswoman NYDIA M. VELAZQUEZ

Representing New York's 12th Congressional District

Ranking Democratic Member, House Small Business Committee



Investigation into SBA Disaster Loan Program

Velázquez initiates GAO study for small businesses in NYC

Local small business owners and organizations joined Congresswoman Velázquez, Ranking Member of the House Small Business Committee, to announce that she will initiate a U.S. General Accounting Office (GAO) investigation into why a significant number of small businesses throughout New York City did not receive Small Business Administration (SBA) disaster loans following the terrorist attacks of September 11.

"Small businesses make up 98 percent of all New York City businesses," Congresswoman Velázquez said. "And almost 14,000 applications were received for SBA disaster loans yet more than half of those were declined or withdrawn. Now that the deadline date for SBA disaster loans has come and gone, we are gaining a much clearer picture of how this program fell short for both businesses in New York City and across the country."

As the investigative arm of Congress, the GAO will examine why the SBA failed to provide loans to over half of the small businesses in New York City that applied for them. The study is intended to provide answers as to why businesses didn't get financial assistance and to determine how improvements can be made to successfully secure future loans for small businesses that face challenges resulting from disaster.

Congresswoman Velázquez also announced the introduction of her legislation, the Small Business Emergency Relief Act, which will provide grants to small businesses affected by September 11. In addition, it will allow those businesses that did receive assistance to convert their loans into grants.

"This legislation and the GAO investigation will shed new light on what happened and why businesses



Congresswoman Velázquez speaks to a crowd on the steps of City Hall.

didn't get the help they so desperately needed," Congresswoman Velázquez said. "The investigation will not only get us answers as to why assistance did not reach those in need, but it will also show us how to fix the problem in order to stabilize and spur business growth. Only then will our ailing economy come back to life."

Congresswoman Velázquez encouraged small businesses to contact GAO by calling (202) 512-8415 if their SBA disaster loan application was either denied or withdrawn.

Bill Provides Jobs for Public Housing Residents

Local public housing tenants and organizations to joined Congresswoman Velázquez to announce her new legislation, the Earning and Living Opportunities Act, which would provide jobs and other economic opportunities to low-income public housing residents in New York City.

"Currently, there are more than 400,000 residents living in New York City's public housing developments. Unfortunately, less than half of those households include members earning an income," Congresswoman Velázquez said. "Given our weak economy and the city's unemployment rate hovering at close to 9 percent, there is a strong need for employment opportunities in our communities."

The legislation authored by Congresswoman Velázquez would enforce the Section 3 housing law, which requires local housing authorities that receive federal funding, like the New York City Housing Authority (NYCHA), to guarantee employment opportunities for low-income residents.

The Earning and Living Opportunities Act would require any contractor doing work on public housing to ensure that 20 percent of the jobs go to public housing residents. These jobs would be in skilled trades and residents lacking training in these areas would be eligible for on-the-job training through a qualified apprenticeship program.

"I will be fighting for these changes at the federal



Congresswoman Velázquez speaks at a housing rally for creating jobs.

level but in order for them to be effective, they must be implemented at the local level," Congresswoman Velázquez said. "Section 3 has the ability to not only offer long-term career training to low-income members of the community, but also to give them what they need most – jobs!"

Velázquez Joins in Support of Chinatown

Congresswoman Velázquez joined local groups and elected officials to show her support for a grant given by Freddie Mac in the amount of \$1.5 million to the Lower Manhattan Affordable Housing Trust Fund, which benefits neighborhoods closest to, and most affected by, the terrorist attacks of September 11. The grant will support the Rebuild Chinatown Initiative, a program spearheaded by the Asian Americans for Equality (AAFE).

"I am committed to Chinatown's recovery and I will continue to work hard with community leaders to ensure this neighborhood receives the assistance it needs to bounce back," said Congresswoman Velázquez. "This important and generous contribution will be vital seed money in allowing the trust fund to ensure new grants and low-interest loans to neighborhood affordable housing projects."

Chinatown has been economically impacted by 9/11 and most recently by the perceived threat of SARS, which has swayed tourism and visitors from the area. A survey conducted by the Rebuild Chinatown Initiative showed that one of the primary needs of local residents is access to affordable housing.

"The Housing Trust Fund will allow non-profit developers, including AAFE, the opportunity



Congresswoman Velázquez, Senator Charles Schumer, AAFE President Jacqueline Huey, AAFE Exec. Dir. Christopher Kui and V.P. of Industry Relations Freddie Mac, James Park.

to build and rehabilitate almost 100 units of affordable housing, ownership and rental, in lower Manhattan for low-to-moderate-income families on an annual basis," said Congresswoman Velázquez. "Rebuilding and revitalizing this area is one of my top priorities. This contribution is a major step towards this goal. The grant will help place more local residents on the road to homeownership."

Housing Residents Urged to be involved NYCHA Plan

Congresswoman Nydia M. Velázquez encouraged the involvement of public housing residents in the NYCHA annual plan process. Recently, the agency published its annual and five-year plans of action, in accordance with federal law. These proposals outline NYCHA's plans on issues of importance to all New York City public housing tenants, including potential rent increases, the community service requirement, and implementation of jobs and skills training.

"But once again, the annual plan leaves open the potential that next year NYCHA might choose to raise the ceiling rents currently paid by many families," said Congresswoman Velázquez. "If this happens, families could see large, sudden rent increases in their leases. This is not only unfair, but it also puts an additional burden on our city's most vulnerable families."

Additionally, because the Republican Leadership in Congress refused to overturn the community service requirement, NYCHA is forced to begin implementing it. All of the new NYCHA leases include a provision requiring all adults who are not working to perform 8 hours of community service a month.

"I will continue to fight these provisions in Washington," Congresswoman Velázquez said. "It is crucial that tenants know that they need to inform NYCHA of these unfair provisions, as well as remind them of the need for job opportunities and training among public housing residents."

Congresswoman Velázquez will be testifying on these important issues at the citywide NYCHA Annual Plan Public Hearing on July 16, 2003 at 5:30 p.m. at the Brooklyn Marriott. Members of the public are urged to attend.

Grants Awarded to our Community

Department of Health and Human Services

*National Neurofibromatosis Foundation \$70,000

*New York City Dept. of Health and Mental Hygiene \$3,226,880

Department of Education

*Pace University \$279,496

Department of Justice

*New York City Police Department \$329,224

Department of Housing and Urban Development New York State

*Community Development Block Grant \$57,330,000

*HOME Investment Partnership Program \$40,101,000

*Emergency Shelter Grant Program \$2,954,000

*Housing Opportunities for Persons with AIDS \$2,327,000

City of New York

*Community Development Block Grant \$222,630,370

*HOME Investment Partnership Program \$129,144,702

*Emergency Shelter Grant Program \$7,480,000

*Housing Opportunities for Persons with AIDS \$60,315,000